destruction. The power, aluminum, heavy chemicals, rayon and oil industries owed some of their best and largest plants to the program. The achievements of the postwar Three Year Plan, and to some extent even those of the First Five Year Plan, rest on the foundations laid by the prewar Billion Pengoe Investment Program. The extent of industrialization can best be measured by the number of factory workers which increased from 289,000 in 1938 to 392,000 in 1943. By comparison, the total increase in the 1925-1938 period was from 199,000 to 289,000.

Parallel with the program of industrialization there was significant social progress, some of it financed out of funds provided by the government under the plan and some of it out of the profits of industry running in full gear as a result of government spending. Health services in rural areas were improved. State-sponsored cooperatives were started to cope with rural under-employment and the rehabilitation of peasants owning less than subsistence farms, so called "dwarf-holders." The limit, which was somewhat arbitrary, was 2.9 hectares. Paid holidays and family allowances were introduced for industrial workers, wage boards were set up to fix minimum wages both in industry and agriculture, and some progress was made in the resettlement of the landless agricultural population.

8: Schweng S-4, 5- (no date) 1951 EC1 Hungary EC1

and business establishments employing more than ten people. It was stated that the measure was not intended to endanger the true small traders and artisans who were said to be valuable elements of society. However, deadly competition for the small shops was provided by the setting up of the state stores, which were given monopoly in the distribution of some goods, were free from many of the restrictions to which small shops were subject and received favored treatment from nationalized industry. At the same time, the policy followed in allocating government contracts, which now comprised practically all contracts of any importance, and the restrictions on credits slowly led to the withering away of the small craftsmen. Furthermore, every encouragement was given to artisans' cooperatives which were, in essence, a return to the workshops of the early period of capitalism. These artisans' cooperatives with their methods of primitive mass production of utility goods were a complete denial of the essence of craftsmanship. The large-scale nationalizations, together with measures directly restricting private practice, almost eliminated the independent professional class.

Parallel with these measures, the powers of the Minister of Building to control labor were greatly increased. The threat of dismissal for political reasons, institutionalized by decree in June 1948 and extended in February 1949, was increased by the tendency to look upon failure to improve output as a political crime and sabotage. Repeated adjustments of the piece-rate system, competitions and special drives led to constant raising of the standard output rates and required an ever greater effort on the part of the ordinary worker to try to keep abreast and maintain the level of his earnings.

Rumors of the impending collectivization of agriculture were at first most emphatically denied by all the Communist spokesmen. Yet, in July 1948, the Communist party announced its intention to press the collectivization of agriculture on a "voluntary" basis because the inefficient small units - a large proportion of which were created by the Communist-sponsored Land Reform of 1945 - impeded progress in agriculture. Soon afterwards, administrative measures, a change in the tax system, and the widespread persecution of the kulaks, encouraged the "voluntary" process by eliminating the richer peasants who were the main opponents of the reform because they had most to lose through it. At the same time every kind of assistance, financial and other, was given to the new collective farms established on the Soviet model. But in spite of all efforts collectivization made little headway and, at the end of 1949, the total acreage farmed by collectives was less than 4 percent of the acreage under crops.

Soon after the warning of the Chairman of the People's Economic Council, a new wage system was introduced which reduced earnings unless output was stepped up considerably. The wage-reducing effect of the new piece-rates was first denied but later openly admitted. It led to widespread resentment expressed in wage frauds, the slackening of work competition and acts of sabotage which prompted the government to resort to strong measures. A new decree was issued to protect social property, threatening the death penalty to those responsible for serious damage. Together with the revision of wage rates, the terms of the work competition were made stricter and control was tightened. Identification cards were introduced showing a record of employment, and unauthorized changes of jobs brought punishment. "Social tribunals," consisting of workers and party representatives, were set up to deal with slackness, lack of discipline, and minor frauds while ordinary courts began passing sentences of several years imprisonment for relatively minor wage frauds. The reform of the criminal law made a socially dangerous attitude a crime liable to punishment, and introduced forced labor as a method of punishment.

All this fits very unconvincingly into the picture of greatly improved standards of living. One is led to suspect that the true rate of improvement must have been very much below that claimed, if attempts to slow down the rate and lower the level could have evoked such widespread and serious resentment as indicated by the severe retaliatory measures.

Nevertheless, there was no slackening in the execution of the investment program. Recent announcements speak of even speeding up investments scheduled for 1950 by 0.9 billion forints, that is, by about 10 percent. But 38 percent of the additional investments were to be spent on housing, cultural and welfare schemes, 43 percent on railway and road construction, the rest on agriculture.

9: Eppstein S-4 (no date) 1945 EC1 Hungary EC1

CONDITIONS OF LABOUR. Wages in Hungary are low compared to English standards, but higher than in Rumania or the Balkans. They are especially low for unskilled and female labour, whereas the skilled craftsmen, of whom there is a shortage, can command a fair price for their work. Collective bargaining exists, and wages are fixed for trades, varying between Budapest and the provinces. The cheapness of food and the fact that few workers have to live far from their place of work partly offsets the small money wage. In recent years a good deal has been done to improve general working conditions. The biggest gap is the absence of any system of unemployment assurance, or even of any organized relief. In other respects, however, social legislation in Hungary, for the industrial worker, compares not unfavourably with that of most countries at a similar stage of economic development. Since the last war a very modern system of sickness assurance was introduced. Shortly before the present war, old age, invalidity and dependents' assurance, Sunday rest and holidays with pay were introduced, and, after hours of work had come down rapidly by trades, the 8-hour day and 48-hour week were introduced in principle. When war broke out, the Government took powers to suspend all protective legislation, but did not use its powers widely, beyond introducing compulsory direction of labour in agriculture and in factories working on war production. A great deal of overtime was worked in some factories, but the legalized overtime rates were paid. Sunday rest and holidays with pay remained in force. The whole wage and price level was taken

9: Eppstein S-4 (no date) 1945 EC1 Hungary EC1

under government control, and the wages of industrial workers were raised rather more than those of others, such as government employees. The workers complained, however, that the rates were unreal as, owing to war shortage, many commodities of which the prices were nominally controlled, were actually unobtainable except on the 'black market', which was out of the working man's reach.

The Hungarian worker has certainly had a hard time during the war, especially since the German hold tightened; the more so as his sympathies were for the most part against his own government and against Germany. The English visitor, if he were able to communicate with the Hungarian workman (many of them speak some German, but few speak English) would find him a decent, self-reliant and friendly man, anxious to talk and exchange experiences and with a good deal in common with his opposite number from an English factory.

outstanding workers are decorated, and he is only a good worker, one of the hundreds of thousands of honest, diligent workers of average skill. Naturally he, too, is spurred by ambition; he, too, is trying to outdo the others in good work; he, too, is studying, advancing and bettering himself.

The first shift at the factory* starts work at seven in the morning. In the past Ferenc Gergely had to get up at four in the morning every single day because it took him two and a half hours to reach his place of work by streetcars, changing three or four times. Today, with the Csepel express train he reaches the factory in thirty to thirty-five minutes, which means that he can sleep two hours longer, and he saves the same amount of time on the way home. Two hours more are left for recreation, for reading, for the family.

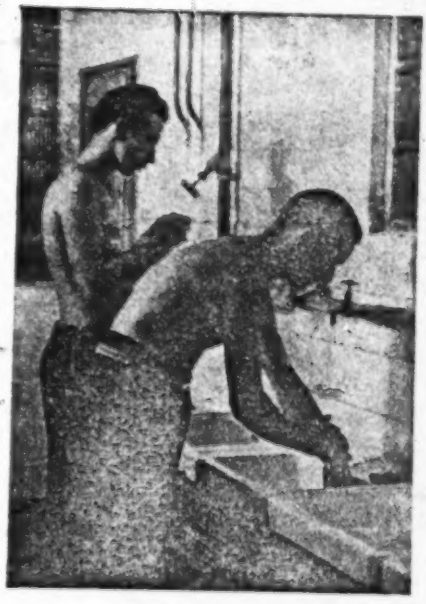
On the way home Ferenc Gergely often considers the

The Danube Embankment which was demolished during the war, now completely reconstructed.

*i.e. the Csepel ironworks -- Analyst

489 extent to which transportation in Budapest and the entire country has developed since the liberation. During the war 70 per cent of the locomotives, 85 per cent of the freight and passenger cars and 90 per cent of the bridges were destroyed. Except for a few dozen broken-down streetcars and busses there were no vehicles of transportation left in Budapest. And today, over a period of three months, the new transportation system carries over 50 million passengers. And on the Danube, between Buda and Pest, the seventh bridge is now under construction.

466 Before entering the workshop to take his place at the work bench, Ferenc Gergely changes his clothes. Long rows of lockers stand along the walls of the large bright room furnished with tables, chairs, benches and mirrors. From the locker room you enter the washrooms and shower rooms. Everyone has the kind of work clothes required for his work. Those who work at workbenches wear overalls; those who work with fire or corrosive materials wear leather overalls and leather aprons or, if necessary, rubber overalls, rubber boots, protective helmets, gloves, goggles. If the work done is especially hard on clothes, the factory provides the worker with clothes free of charge and as often as necessary. The factory provides the various protective clothes and appliances free of charge.



Ferenc Gergely in the factory washroom.

The workshop in which Ferenc Gergely works is very different from the old, unhealthy, airless, dark and dirty workshops he was used to in the past. This is a huge,

light, airy workroom, orderly and very clean. Since the liberation 90 per cent of the old machines[1] have been replaced, and instead of the obsolete, noisy machines the workers run efficient, up to date machines of a new make provided with protective devices. 466 [178]

Ferenc Gérgely and his fellow workers are almost without exception enthusiastic supporters of the movement which provides that workers working on the same machine, including the workers of the various shifts, are jointly responsible for the maintenance, cleaning and expert handling of the machine. This movement is called "the socialist protection of the machines." One can work faster and more easily on a carefully tended machine, which means that one can also earn more. The machines, the tools, the factory no longer belong to big business but to the state of the working people. The workers know this, and that is why they handle them so carefully.

Ferenc Gergely works easily and quickly. He is helped not only by the machine but by many other factors aiding and inspiring him. First of all, he always knows exactly what he has to do. The days are past when the foreman simply assigned him a case of round iron to cut in screw threads and returned half an hour later to tell him to put it aside, giving him something more urgent to do.

In the past senseless bustle and unsystematic management prevailed; now Ferenc Gergely and his fellow workers do their work according to exact plans made in advance. The workshop, the factory, all the industry, even the whole country works according to exact, systematic plans. Ferenc Gergely knows that he is producing turning lathes today and that he is to go on for another six or eight weeks or any other length of time producing turning lathes. He knows how many pieces of work he has to finish each day, each week or each month. He knows to a penny how much his earnings will be. He knows that if he can think up a clever trick, a good idea to make his own work faster and simpler he can earn more. This is not only 461

[1] [In the Csepel Ironworks -- Analyst]

461 because in this way he will produce more but also because a reward is due for every innovation, every rationalization.

466 Naturally the entire atmosphere is different from what it used to be. Selfishness, envy, quarreling, vilification of the good workers and oppression of the weaker have all been eliminated. Before the liberation Ferenc Gergely often got stuck with a difficult piece of work and did not know how to go on with it. Or he suddenly realized that he was working too slowly, that his work did not go as well as he had expected of himself or as others expected of him. He dared not consult the foreman or the engineer for fear that they would fire him as unfit. From his fellow workers he could expect nothing because those who knew what to do guarded their secrets most jealously.

Even today it sometimes occurs to him that he needs guidance or advice. But no sooner has he pronounced the words "comrades, how would you do this . . ." than they are at his side showing him, explaining to him the right way to go about it. Naturally, he does the same whenever he has an opportunity to help others. There is an atmosphere of mutual aid, of collective feeling in the workshop. They are constantly exchanging their experiences, and, if one of them finds a new way of rationalizing, simplifying work, his innovation becomes, by the next day, a common possession. And this is true not only for this workshop but for every workshop of the factory, for every factory of the country because of the close relationships existing among the factories, industries and enterprises of the land.

It often happens that the director visits the workshop during the morning. He stops at the workbenches, converses with the workers, asks for information, gives advice, controls the work. But these are no longer the formal, condenscending visits paid by the capitalist general managers to the otherwise hated and despised workers. Today the relationship between the leaders and the workers is entirely different. The director used to be a worker him-

13: Hungary G-3 (no date) 1952 EC1 Hungary EC1

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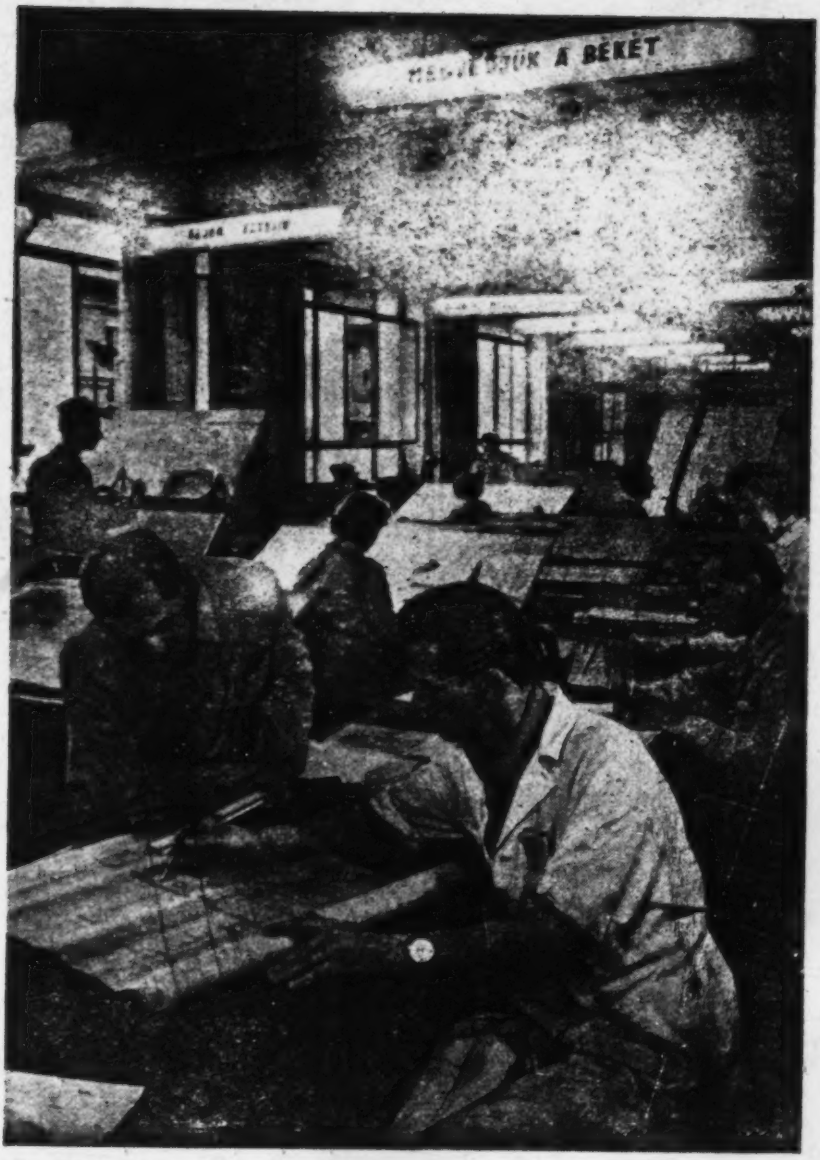


Working out a problem with the planning division of the factory.

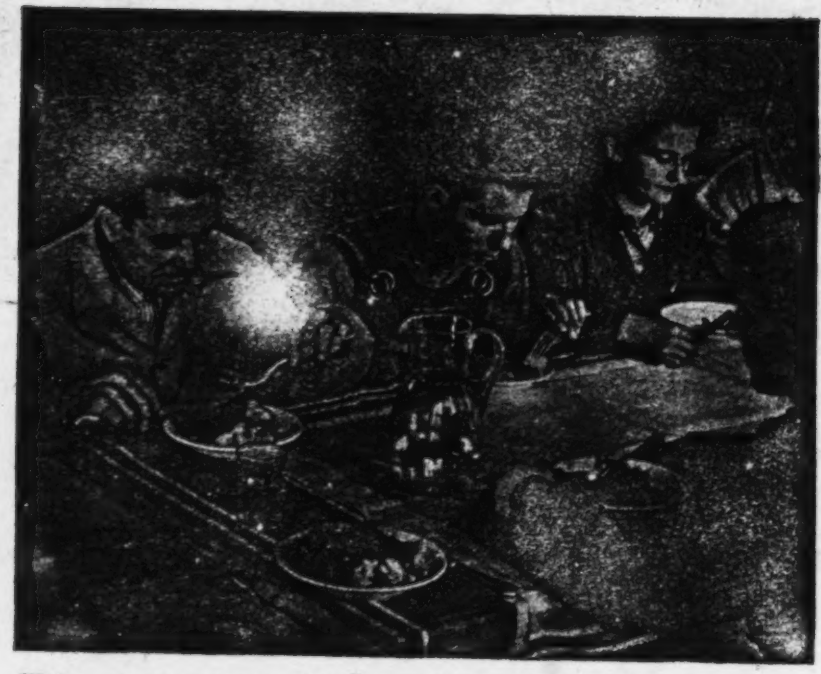
466 self, he knows Ferenc Gergely and the other workers personally, he is bound to many by old ties of friendship, by memories of common struggles against the capitalists. He became a director because of his outstanding abilities. His organizational ability and his knowledge of the factory are the things to which he owes his rise. Before the liberation he had worked at the plant for many years learning the routine and processes of the works. He is putting this knowledge to good use in his position of director. He has the respect of the workers, who like him and have confidence in his leadership.

Regularly he invites the best and most experienced workers to conferences where they discuss problems and difficulties which arise, seeking, together, the best way out, the best solution. At trade union meetings he sits there, among the workers, and finds it quite natural for them to criticize his work or his attitudes just as freely and sincerely as they do that of the others. He is the director of the factory, but today that means that he is the first worker of the factory, the one who has to do the most responsible work.

Just as he has the right to call to account any worker of the factory and ask him whether he has accomplished the work undertaken according to the contract for the wages provided by collective bargaining, so Ferenc Gergely and his fellow workers have the right to demand that the director provide the necessary conditions of work, adequate machines, tools, sufficient raw material, and healthy working conditions and that he fulfill the social and cultural obligations undertaken in the contract.

At noon Ferenc Gergely dines at the factory refectory. He no longer eats in a corner of the workshop with oily, dirty hands, out of a paper bag as he used to. He sits at a white table—on which there are always a few flowers—in a bright, large room and eats out of porcelain plates comfortably and well. Lunch consists of 2 or 3 dishes; the food is tasty and plentiful. He pays 60 per cent of the price of the food; the rest is paid by the factory. And

13: Hungary G-3 (no date) 1952 EC1 Hungary EC1



Well prepared meals in pleasant surroundings in the factory dining room.

this 60 per cent is equivalent to the wages he earns in 15 minutes.

After dinner he resumes his work. The shift is soon over; at 3:00 P.M. it is done. He doesn't go home immediately, however, but spends about an hour teaching the new workers. Some of these are peasant youths who have recently come from the country; others have been doing different work up to now—these are the "re-trainees."

Manpower administration is one of the most important problems of Hungarian industry. The threat of unemployment, of an insecure future, is a thing of the past in Hungary. Today there is a shortage of skilled labor in certain fields of industry. Industrial re-training helps towards the solution of this problem. Every skilled worker of every Hungarian factory considers it his duty to participate in this great educational work, the training of new skilled

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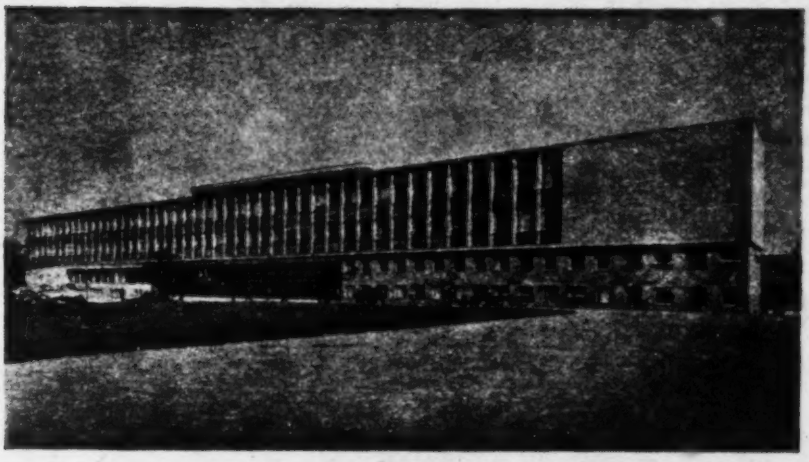

The apprentice home at the Matyas Rakosi works in Csepel.

562 condition require it, to more. If she places her child in
745 the factory baby care center, the young mother has the right to go down there and nurse it. This time is included in her eight work hours. Pregnant women may ask to be transferred to lighter work without reduction in wages. Six months before and six months after her delivery a woman cannot be discharged from her work or job. Working women are protected by law from having to do night-work or exhausting overtime.

[466] Around four o'clock, when he has finished with the
475 apprentices, Ferenc Gergely leaves the workshop. He goes
217 to the locker room, takes a hot shower and changes into his street clothes. Then he goes to the factory library to return a book. He loves to read, but in the past he had little opportunity to indulge in this pastime. Either he had no time or he had no money. Now he has both although reading costs him nothing since the library provides him with books free of charge. He can read, study, educate himself at his pleasure without having to pay for it. There are approximately twenty-five hundred

871 lish and maintain elementary schools in rural districts. The importance of this was felt most strongly in the Hungarian Prairies where the population is widely scattered in small communities. From these remote districts it was almost impossible for the children to reach the schools, particularly in winter. To help solve this problem residential institutions were opened where the children — mostly of tenant farmers — from scattered farms received board and tuition up to the 8th grade.

875 Lastly, very important steps have been taken to
793 adjust the incomes of the teachers and the clergy and to promote their social welfare.

Social Security Insurance.

745 The Hungarian social insurance system is not of
• 466 recent origin, although its all-embracing reforms and measures have been adopted in the last twenty years. The most remarkable social achievement in Hungary since the war was the enactment of Act XXI in 1927, instituting compulsory sickness and accident insurance. Of far-reaching importance also is Act XL of 1928, which provided for the creation of compulsory insurance covering retirement pensions, disability, and widows' and guardians' benefits. Later the statistical data concerning the persons insured
[467] under these acts will be given. To illustrate the historical background it is sufficient to mention that the miners formed friendly benefit societies as far back as the fifteenth century. In the eighteenth and the beginning of the nineteenth century several similar societies were established, which in some branches of production — especially industry and mining — provided some sort of social insurance for their members. In 1891 sickness insurance was made com-

pulsory by law, and at the turn of the century the sick benefit societies were centralized. The retirement pension system of the miners was regulated by law in 1925. The above-mentioned Acts of 1927 and 1928 were followed by another (Act IV 1932), which regulates the administration of justice in cases arising out of disputes under these Acts.

The existing Hungarian social insurance organizations — especially their compulsory sick benefit insurance branch — give services which equal, and in several respects surpass, the general level of those in other European nations.

OTI.

Our largest social security institution is the National Social Insurance Institute, (Országos Társadalombiztosító Intézet) which had the following membership in 1940:

Sickness insurance	1,065,898	members
Old Age pensions	766,562	„
Accident insurance	1,143,572	„
Retirement pensions for miners	60,801	„

Over 2500 doctors were connected with the OTI in 1940. The yearly income of the institute is approximately 130 million pengős, and its different insurance funds approach 300 million pengős. It has 52 district pay offices, 15 branch offices, and 18 industrial pay offices. It gives permanent employment to almost 4000 people, and nearly 2000 are employed part-time. The Institute has full autonomy.

MABI.

The social welfare of the business employees is taken care of by the Insurance Board of Business Employees

which is responsible for the sickness insurance of the agricultural labourers from the reoccupied northern territories, and the other is the National Agricultural Insurance Board (Országos Mezőgazdasági Biztosító Intézet), which insures the agricultural clerical employees against old age, disablement and accident. The compulsory insurance of the farm labourers against accidents and old age is also under the OMBI. The most important innovation in the early 'thirties was the extension of the old age insurance system to cover agricultural labourers and their widows. When the old age pension system was founded, the right to participate in its benefits was not made subject to the payment of contributions for a certain period, consequently by 1940 nearly seventy thousand farm labourers had received such benefits without having paid anything in contributions.

[466] The compulsory accident insurance of the farm labourers has been in force since 1900, but applied to only a relatively small group of the labourers. Since the system was reorganized the number of insured rose rapidly to nearly half a million.

Agrarian Family Welfare.

As a result of economic and financial difficulties referred to above, the plans of the Government for agrarian social welfare could not be implemented until the late 'thirties. However, in 1940 an institution was formed which deserves special attention both for its scope and its novel features.

ONCsA.

The new institution, the National Folk and Family Protection Bureau (Országos Nép- és Családvédelmi Alap), was established by Act XXII of 1940. Its object was to

800 districts by 2100 separate organizations assisted by 1200 Green Cross Nurses.

The following organizations also help in the work of raising public health standards in rural districts: the National Child Welfare Bureau, Children's Hospital Society, five colleges for Green Cross nurses, four medical institutions for combating malaria, a research institution in influenza and other epidemics, and lastly the institute for maintaining an adequate supply of pure drinking water. The latter examines more than 30,000 wells each year, and has arranged for 1700 new wells to be sunk. Up to date 200 public health centres are housed in their own buildings.

IV. PROMOTION OF INTERESTS OF LABOUR.

Historical background.

The legal system devised for the protection of labour had to be reconstructed in the years following the 1918 collapse.

The movement to protect the wage-earners from exploitation arises from laws enacted during the early 'forties of the last century when the industrialization of the country was started on a large scale. The restriction of child labour is the oldest example of protective legislation. The corresponding act of 1840 (Act XVII) was not only the forerunner of similar legislation in several other European countries but it was wider in scope.

A statute passed in 1848 limited the working day to nine hours for minors. The labour act of 1878 prohibited the employment of children under twelve years of age and made provision for the protection of apprentices and women.

●46 made provision for the protection of apprentices and women. The outlines of the modern type of legislation took shape in 1884 when the protection of motherhood, establishment of workmen's sick-benefit boards, the inspection of hazardous occupations and the settlement of industrial disputes were regulated through government action. In 1891 a statute ordered the compulsory observance of Sunday rest; and in the same year Hungary was the third country in Europe to introduce compulsory sickness insurance for industrial labourers. Two years later industrial inspection agencies were established. A great number of other governmental regulations followed until 1918, when a statute forbade night work for women. In 1916 a statute laid the ground for the establishment of state labour exchanges.

This is the historical background. In the post-war years the industrial life of the country had to be reorganized. Although the country was deprived of its natural resources, of its best industrial areas, and was restricted in pursuing a free export-import policy, an ever-increasing volume of legislative and administrative measures were designed to benefit the interests of labour.

Apprentices.

In 1922 a statute was enacted to regulate the position of apprentices, limiting their working hours and setting general educational standards for them. The law also contains provisions for the registration of apprentices, determines the forms and contents of their contracts, lists the reasons for which they may be given notice, establishes their educational requirements and promotes their social welfare in every respect.

15: Kárpáti G-3 (no date) 1943 EC1 Hungary EC1

Limitation of night work.

In 1923 a law (Act XV) regulated labour conditions in the baking industry. The working day was limited to 8 or 10 hours, night work was prohibited and rest periods were ordered. Since then the 10-hour working day provisions of the law have been superseded. In the same year the proper ministry was empowered by Act XVI to forbid night work by administrative orders in industries where it was not absolutely necessary. Under this law night work was prohibited in the meat industry.

Protection of women and minors.

Act V of 1928 fully covered the whole field of the employment of children, women and minors. The law prescribes in minute detail the conditions under which different branches of industry may employ the above categories of labour, sets the minimum working age, forbids night work and work which endangers their health and morals, overtaxes their strength or retards the growth of minors. Furthermore the statute protects the health of women labourers before and after child-birth and orders factories to instal suitable social welfare conveniences. One of the provisions of this law makes the employment of minors subject to medical examination testifying to their physical fitness, another prohibits the employment of youths under sixteen in mines.

International agreements.

In the same year Hungary implemented several draft conventions of the International Labour Conference, some of which dealt with furnishing data on labour exchanges, protection of the interests of minors, etc. All the con-

ventions adopted were put into effect immediately. The majority of the recommedations of the International Labour Office were acted upon in Hungary, and only those were not implemented which were not relevant to Hungarian conditions, or those which had already been enacted, in some instances in a more sweeping form.

Protection of labour interests.

The intention of these administrative measures was to protect the workers againt insecurity and occupational risks. In the meantime effective steps were taken to further the material well-being of the workers, although more vigorous measures to achieve this end could only be instituted after the depression and when the state regained full control of its finances. The year 1935 was a definite turning-point in this respect; from then on the provision of social security for workers became one of the paramount concerns of public policy in Hungary. In this stage of the social security programme, labour legislation dealt with the following: general reduction of working hours, minimum wages, paid holidays for workers, child educational allowances, family allowances for workers, obligation of the employers to report large scale lay-offs, in certain labour categories regulation of the amount of notice and of the quittance-money to be paid to discharged workers.

In 1935 an order in council empowered the proper minister to reduce the working day to eight hours and the working week to 48 hours in those branches of industry where this was still necessary. The hours of work and minimum wages were again regulated by Act XXI of 1937 which extends the limitation of working hours to other occupations besides industry and trade. The limitation

of working hours was made indirectly effective under the minimum wage law in so far as the law orders that at least time and a quarter must be paid for overtime. Concurrently the state delegated authority to specially appointed wage-boards to establish minima appropriate to particular industries not previously regulated. Minimum wages are applied in 75 to 80%, and hours of work are regulated in 95% of industry. Employers and employees are represented in equal numbers on the minimum wage boards. In consequence of the new measures the exceptionally low wages disappeared from the labour market and the general level of wages and the purchasing power of the workers increased year by year.

Paid holidays.

In 1936 new developments took place in this province. By Act VII of 1936 the paid holidays for apprentices were realized and by Act XXI of 1937 this benefit was made available to a large section of workers. Under this law in the trades to which the industrial law applies, every worker is entitled to paid holidays subject to one year's continuous employment. The holiday has to be given between April 1st and October 31st, the days running consecutively, and its length is increased after every year of employment. These regulations do not apply to business executives or to employees whose yearly salary exceeds 6000 pengős. Small tradesmen who cannot spare their workers are also exempted from this law.

Family wage allowances.

Further great progress was registered in wages legislation by Act XXXVII of 1938, which introduced into the

465 wage system allowances for children. Hungary was the fourth state in Europe to supplement the wages of labourers according to the size of their families. This law only applies to firms employing more than twenty labourers. By the end of 1941 firms with a total of more than 800,000 workers on their pay-roll paid family and child education allowances to 180,000 of their employees having in all 332,000 children.

Amount of notice, quittance money.

466 When the social wage policy was put into practice a law was passed ordering industry to give two weeks' notice to the proper Ministry before laying off any large number of workers.

We refer here to that important protective measure in force since 1937 which regulates the amount of notice to be given to industrial labourers and fixes the amount of quittance money payable to them. This measure was later extended to include clerks, shop assistants and highly skilled workers. This procedure was applied by common law and legal practice to several categories of workers some decades before the above law was enacted.

Employment offices.

464 During the past few years the sphere of activities of the labour boards has been gradually extended and the finding of employment increased. In 1942 the state started gradually to take over the municipal labour exchanges and by 1943 there were already 24 government employment offices. Parallel with the organization of government employment offices goes the registration of workers, which makes possible the nation-wide control of the supply and

demand of labour forces. Besides directing the labourers to places where they are needed, several boards entered upon the plan of giving the workers diversified training in various trades.

Inspection.

The nation-wide organization of labour inspection boards is being established. The National Industrial Board in Budapest is already functioning and supervises the enforcement of regulations governing working conditions in industry.

Leisure hours.

The organization of the workers' leisure hours was also started. Various clubs and unions of the workers provided facilities for cultural diversions, recreation and sports for their members. Credit is due to the factories for providing similar facilities on the highest European standards for their employees. Many of the larger factories publish illustrated magazines for their workers dealing with matters of interest to them.

V. WAR-TIME MEASURES.

In Hungary after the first world war and subsequent revolutions, when normal political life was restored, the first laws enacted by the Parliament were concerned with improving the economic and social conditions of war veterans, their dependents, victims of the war and of those who were decorated for war services.

large families or were most in need of employment. The retail tobacco store licenses withdrawn from Jews were given mostly to ex-soldiers and war widows.

We have already dealt with the indemnification of war-bond holders who sustained severe financial losses due to the war in the section on public finance and taxation.

Social policy during the second world war.

War conditions retarded the progress of certain social welfare policies and stimulated others. The promotion of industrial labour policy has not been neglected during the war. The expansion of the sphere of activies of the various labour agencies and boards is going on and the Government is reinstating certain social measures which were suspended or restricted the beginning of the war in the interest of accelerated war-time production.

Overtime and paid holidays.

In the regulation of working conditions and the labour market nowadays anticipatory measures come to the fore, for instance the new wartime measures to check habitual idleness and any sign of reluctance to work. It was inevitable that the limitation of the hours of work should be suspended for the duration, and although it was restored for a short while in 1940, it had to be suspended again that year owing to the requirements of war production. At the same time the Government demanded that overtime should be paid for any extra hours of work. Defence requirements also made it necessary that the paid holidays enjoyed by workers under the law could be commuted for extra paid compensation. Furthermore, steps were taken that the time

722 spent by workers on active military service should count
461 more than the actual days when computing the time which entitles the workers to paid holidays.

War-time wages.

722 To safeguard the living wage of the workers and to
465 keep it in alignment with the rising costs of living the Government ordered that wage supplements should be paid above the regular wage rate stabilized for the duration. The payment of these war-time wage supplements was ordered on three occasions, consequently the wage rate has risen thirty per cent on the average since the beginning of the war.

Enlisted workers.

901 Several new legal and administrative measures were
427 passed to safeguard the interests of enlisted men and their dependents. In 1941 an order in council directed that for non-payment of rents enlisted men cannot be made to vacate houses, apartments or living quarters rented by them and the courts can adjudge that their rents be payable by easy instalments.

Discharge.

901 Industrial and commercial employees cannot be
466 discharged while they are serving in the forces. If the employee has received living quarters from his employer in addition to his wages they cannot be taken away from him or from his dependents. Enlisted men must be re-employed if they report for work within eight days after their discharge from the forces.

Wage allowances to dependents.

The employer must pay the enlisted men in the ranks or their dependents 50% of their monthly salary during their period of military training and this amount is increased by 10% for each child. The rent of their living quarters if supplied by the employer cannot be deducted from the above amount.

Industrial and agricultural labourers.

The industrial connections of the enlisted men cannot be severed while they are doing military service, and the same applies to agricultural labourers, and if they have dependents their employer must continue to furnish the dependents with the services in kind contracted for (rent-free homes, fuel, garden space, keeping a certain number of domestic animals, etc.).

Since 1938 laws ensure that the jobs of farm overseers be held for them and their dependents be provided for by the employer while the overseers serve with the army. Since 1942 the needy dependents of enlisted men get separation allowances. They also enjoy certain privileges in rationing.

Civil servants.

A number of legal measures protect the interests of enlisted civil servants. The essence of these measures is that no distinction should be made between enlisted and exempted civil servants to the detriment of the former in the matter of promotion, placement in rank, etc.

Disabled soldiers, war widows.

One of the provisions of the National Defence Act orders that disabled soldiers and war widows should be

Article 44.

642 693 Public prosecutors proceed independently of the central and local administrative and executive organs of the state.

SECTION EIGHT

The Rights and Duties of Citizens.

Article 45.

642 641 1) The Hungarian People's Republic guarantees for its citizens the right to work and the right to remuneration in accordance with the quantity and quality of the work done.

2) This right is implemented by the Hungarian People's Republic by means of the planned development of the forces of production and by a manpower policy based on economic planning.

Article 46.

642 466 1) The Hungarian People's Republic ensures the right of rest and recreation for its citizens.

2) This right is implemented by the Hungarian People's Republic by means of a legally determined working day, holidays with pay and the organization of the rest and recreation of the workers.

Article 47.

642 745 1) The Hungarian People's Republic protects the health of the workers and assists them in the event of sickness or disability.

2) The Hungarian People's Republic implements this protection and assistance by means of a comprehensive social insurance scheme and the organization of medical services.

Article 48.

647 871 1) The Hungarian People's Republic ensures the right to education for every worker.

2) The Hungarian People's Republic implements this right by means of an extension to all of educational facilities, by means of a free and compulsory general schooling scheme, by the provision of secondary and higher schools, by educational facilities for adult workers and by financial aid to those receiving schooling of any kind.